

August 30, 2001

John P. Dragoni, Counsel  
City Signal Communications  
965 Thomas Drive  
Warminster PA 18974

***Re: City of Cleveland Heights, Ohio***

Dear Mr. Dragoni:

I was most upset to hear from you today that City Signal has determined not to go forward with the Cleveland Heights' Right-of-Way Use Agreement. My understanding from you is that the reason City Signal has determined not to proceed is the cost involved.

The City of Cleveland Heights postponed moving forward with a comprehensive right-of-way ordinance because both Metromedia and City Signal indicated that they preferred to reach individual agreements with the City rather than waiting for the cumbersome process of enacting a general right-of-way ordinance to be completed. A signed agreement was reached with Metromedia in February, 2001 which would have accommodated both Metromedia and City Signal. When Metromedia determined not to move forward with the agreement, the City immediately began negotiating with City Signal. The City Signal representatives appeared to be in basic agreement with the terms which the City proposed and, accordingly, with City Signal's knowledge, the City bid the contract for the telecommunications conduit and was encouraged by City Signal to prepare an agreement and send it to you. I faxed the draft agreement to you on August 20, 2001.

As you know, the City has let the contracts for the resurfacing of Lee Road and construction is to commence on September 5. It is not possible for us to hold up construction further and, therefore, the opportunity to install fiber conduit as a part of the project has been lost.

Preparing the bid specifications for the conduit and the draft agreement and negotiating with City Signal has been a time consuming and expensive process for the City, and we certainly would have appreciated City Signal making the determination not to go forward several months ago when the costs of the project were made known to City Signal.

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Cleveland Heights will now turn its attention back to enacting a general right-of-way ordinance. It would be helpful to me to know whether City Signal is still seeking to use the City's rights-of-way or whether it is abandoning the project altogether.

Very truly yours,

John H. Gibbon  
Director of Law  
City of Cleveland Heights

JHG:peg

cc: Robert C. Downey, Jr., City Manager  
Charles Koslosky, City Signal